

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 918

Introduced by Assembly Member Adams
(Coauthors: Assembly Members Carter, Davis, and Jones)

February 26, 2009

An act to add Chapter 2 (commencing with Section 150) to Division 1 of the Welfare and Institutions Code, relating to charitable donations.

LEGISLATIVE COUNSEL'S DIGEST

AB 918, as amended, Adams. Salvageable personal property: collection boxes.

Existing law makes it unlawful for any association of persons to engage, directly or indirectly, in the soliciting of donations or in selling salvageable personal property obtained by soliciting, except qualified charitable organizations, as described, that meet specified requirements.

Existing law authorizes counties and cities to impose additional requirements for the privilege of soliciting and selling salvageable personal property within their jurisdictions.

This bill would specify marking requirements on collection boxes, as defined, that are used for the solicitation and collection of donations of salvageable personal property in California. The bill would allow a local jurisdiction to prohibit a person or ~~an eligible~~ *a covered* organization, *as defined*, from placing, using, or employing a collection box for solicitation purposes if the collection box does not adhere to the disclosure requirements, and would specify that its provisions shall not be deemed to limit a local jurisdiction from adopting ordinances or regulations regarding collection boxes that are more stringent than the provisions of the bill.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 2 (commencing with Section 150) is added to Division 1 of the Welfare and Institutions Code, to read:

CHAPTER 2. UNATTENDED COLLECTION BOXES

150. For purposes of this chapter, the following definitions shall apply:

(a) “Collection box” means an unattended cannister, box, receptacle, or similar device, used for soliciting and collecting donations of salvageable personal property.

~~(b) “Local jurisdiction” means a city, county, or city and county.~~

(b) “Commercial fundraiser” means an entity that, for compensation or other consideration, directly or indirectly solicits or receives contributions for or on behalf of a charitable organization or charitable purpose, or that is engaged in, or is held out as being independently engaged in, the business of soliciting or receiving contributions for those purposes.

~~(c) “Eligible—~~“Covered organization” means an organization that is either of the following:

(1) A nonprofit organization that is all of the following:

(A) Incorporated in, or, if a foreign corporation, registered to do business in, California.

(B) Current in reporting to *and registered with* the Secretary of State.

(C) Registered with, and current in reporting to, the Attorney General’s Registry of Charitable Trusts.

(D) Exempt from taxation pursuant to Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code.

(2) A for-profit organization, *including, but not limited to, a commercial fundraiser*, that is both of the following:

(A) Incorporated in, or, if a foreign corporation, registered to do business in, California.

(B) Current in reporting to *and registered with* the Secretary of State.

(d) “Local jurisdiction” means a city, county, or city and county.

1 151. A collection box that is owned by ~~an eligible~~ *a covered*
2 organization or person that is used for the solicitation and collection
3 of donations of salvageable personal property in California shall
4 clearly and conspicuously display on its exterior all of the following
5 information:

6 (a) The name, address, *operational* telephone number, and
7 Internet Web *site* address, if available, of the organization *or person*
8 that owns the collection box.

9 (b) In at least two-inch type, a statement whether the collection
10 box is owned and operated by a for-profit organization or a
11 nonprofit organization.

12 (c) *If the collection box is owned by a commercial fundraiser,*
13 *the fundraiser shall display, in at least two-inch type, a statement*
14 *that the collection box is owned and operated by a for-profit*
15 *organization but that the proceeds will benefit a charitable cause.*

16 ~~(e)~~

17 (d) If the collection box is owned by a nonprofit organization;
18 ~~the eligible~~ *or a commercial fundraiser, the organization shall*
19 *provide all of the following:*

20 (1) *The covered organization's charitable trust number issued*
21 *by the Attorney General's Registry of Charitable Trusts.*

22 (2) *The covered organization's business license number.*

23 ~~(d)~~

24 (3) ~~A statement describing the manner in which clothing or~~
25 ~~other donations that are deposited in the collection box will be~~
26 ~~used, sold, or disposed of, including the percentage of the revenue~~
27 ~~obtained from the sale of the used goods that directly benefits the~~
28 ~~charity on whose behalf the donations are solicited. what charitable~~
29 *cause will benefit from the donations.*

30 (4) *A statement describing the previous year's charitable*
31 *activity, including the percentage of the organization's total*
32 *donation proceeds that was used for the charitable cause.*

33 (e) *If the collection box is owned by a for-profit organization,*
34 *the organization shall provide the following information:*

35 (1) *The covered organization's California business license*
36 *number.*

37 (2) *A statement informing the donor that the donation is not tax*
38 *deductible.*

39 152. (a) A local jurisdiction may prohibit a person or an
40 eligible organization from placing, using, or employing a collection

- 1 box for solicitation purposes if the collection box does not adhere
- 2 to the disclosure requirements included in this chapter.
- 3 (b) Nothing in this chapter shall be deemed to limit a local
- 4 jurisdiction from adopting ordinances or regulations regarding
- 5 collection boxes that are more stringent than the provisions of this
- 6 chapter.
- 7 (c) Nothing in this chapter shall be deemed to supersede or in
- 8 any way limit the Department of Justice's existing authority over
- 9 fundraising for charitable purposes.